

**COUNTY OF LOS ANGELES – DEPARTMENT OF MENTAL HEALTH
COMPLIANCE PROGRAM OFFICE
GENERAL INFORMATION ABOUT THE NPI**

The NPI

The NPI is a unique identifier for health care providers for use in the health care system. Congress included provisions to address the need for a standard unique health identifier for health care providers and other health care system needs in the Administrative Simplification provisions of HIPAA. The final rule concerning the NPI was published in the January 23, 2004, Federal Register, and is now part of Title 45, Code of Federal Regulation, Part 162.

The NPI is a 10-position numeric identifier. The NPI number is assigned randomly, and, unlike a Medicare provider number, no one looking at the number can gather any information about the individual to whom it is assigned.

The NPI belongs to the individual care giver and is not tied to a particular practice location or employer. The NPI is assigned for life and is deactivated only under the most extreme circumstances:

- Identity theft where the first NPI has been fraudulently used;
- The provider's death; and
- The provider's retirement.

All health care providers are eligible to be assigned an NPI. Health care providers who submit claims electronically or provide the services which will be billed electronically (covered entities for HIPAA purposes) must have an NPI. The Department of Mental Health is a covered entity and needs to ensure that all health care providers for which it processes claims comply with the NPI Final Rule.

Issuance of an NPI will not eliminate the need to be separately credentialed with each health plan (i.e., Medicare, Medi-Cal, Blue Cross Plans, etc.) before submitting claims to such organizations.

The required and permitted uses of NPIs

The required and permitted uses of NPIs are:

- The NPI is used to identify the provider on certain types of health care related transactions, such as claims for payment or encounter data submitted to a managed care organization. The NPI is used on all such transactions,

regardless of whether the recipient of the data is a government payor, a private insurer, or an employer sponsored health plan.

- The provider is required to disclose its NPI, when requested, to any entity that needs the NPI to identify that provider in a standard transaction.
- The NPI is used to communicate to the National Plan and Provider Enumeration System (NPPES) regarding any changes in its required data elements in the NPPES.

The National Plan and Provider Enumeration System (NPPES)

The NPI application process is the means by which health care provider organizations and individuals become uniquely identified in a national database known as the NPPES, formerly known as the National Provider System. The NPPES assigns an identifier only and is NOT an enrollment process with any Medicare contractor, Medi-Cal contractor, or third-party payer. NPPES is not a claims payment processing system and that is why claims processing information is not captured.

For each NPI application, the applicant will be asked to establish a password to use in accessing the system. The NPPES is not a read only system. People should keep their password secured for their use only, to prevent any unauthorized changes in NPPES data.

Information that is to be captured by NPPES includes:

- The mailing address and one physical location/address for each health care provider.
- An individual, health care provider's license number (if appropriate), the State which issued the license, and the credential designation(s).
- Numbers used to report income taxes.
- Health care taxonomy codes [i.e., codes which disclose the type of health care provider the individual is].

A provider is required to communicate to NPPES any changes in required data elements in the NPPES within thirty days of the change. The provider is liable for civil monetary fines on a per violation basis for failure to comply with the requirement to communicate changes to NPPES within thirty days of the change. Changes in this information do not, however, result in the issuance of a new NPI.